State of California
21ˢᵗ Century Project

Welcome to the 21ˢᵗ Century Project Union Meeting

October 2004

Introduction

Purpose of Today's Meeting

What is the 21st Century Project?

The 21st Century Project is a collaborative effort to replace the State's outdated Human Resource systems with new tools and improve the State's human resource/payroll business processes by providing the owners of information and processes better access and capabilities.

21st Century Project Meeting

Agenda

I.   **Why Change?**

II.   **Project Overview**

III.   **Project Status & Timeline**

IV.   **System Improvements**

V.   **User Impacts**

VI.   **What's Next**

Why Change?

Current Systems

- *Employment, Payroll, Position Control, Leave Accounting, Management Reporting*
- *Up to 30 years old.*
- *Designed for non-collective bargaining environment*
- *Stovepipe applications*

Significant Risk Of Current System Failure

- *Maintenance is increasingly difficult, costly, time-consuming and prone to failure*
- *Impending retirement of existing business and technical workforce*
- *Inability to replace staff knowledgeable in current systems*
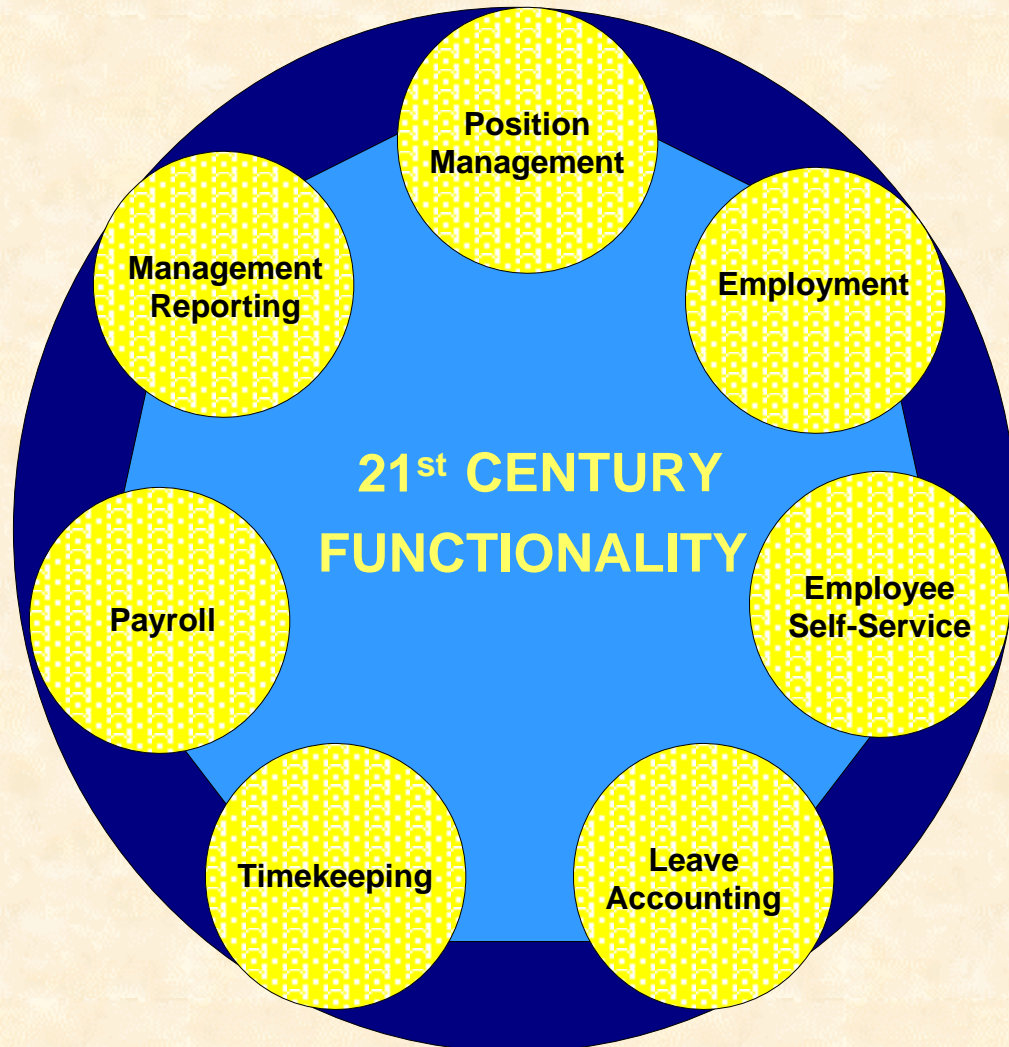- *System failure is inevitable, it's just a matter of time*

Limited Capabilities

- *Limited flexibility to accommodate bargaining negotiations and to deal with legislation*
- *More frequent payroll program*
- *Report capabilities are limited and require technical expertise to develop and understand*
- *Minimal employee services*
- *Paper based processes with slow response time*

Project Overview

New Business Functionality

- Position Management
- Employment
- Management Reporting
- **21st CENTURY FUNCTIONALITY**
- Payroll
- Employee Self-Service
- Timekeeping
- Leave Accounting

Features

- *Customer Centric*

- *Employees able to access information without personnel office involvement*

- *Internet access able*

- *High level of security*

- *Employee ID separate from employee SSN*

- *Flexible administration*

- *Electronic workflow*

- *User friendly*

Employment

- *Maintain current and historical employment activity*
- *Provide departments continuous online access to human resource data*
- *Point and click technology*
- *Security to protect data*

Employee Self-Service

- *Allows employee system access for self-maintenance of personal information*
- *Query current and historical employment and payroll data (Earnings Statements, W2's, leave balances, etc.)*
- *Access to benefit information*
- *Update capabilities*
- *Tight security controls*

Leave Accounting

- *Determines eligibility and creates leave records*

- *Automated benefit accruals*

- *Tracks leave usage and benefit balances*

- *Fully integrated with Timekeeping*

Timekeeping

- *Automatic identification and calculation of excess and overtime hours*

- *Intuitive rules' validation*

- *Flexible system configuration*

- *Electronic routing and approvals of attendance*

- *Identification of approvers/back-ups*

- *Reports all time*

Payroll

- *Variable pay frequencies*

- *Improvements in business processes*

- *Accommodates unlimited pay differentials that can be 'rolled up' with the employee's regular pay*

- *Automates 7K overtime calculations*

- *Supports fewer overpayments and improves account receivable functionality*

- *Deductions can be flat rate or percentage*

Position Management

- *Automated, centralized Position Management system*
- *Replaces paper documents with electronic transactions*
- *Enhanced capabilities of departments to manage position use*
- *Faster approval process*

Project Status & Timeline

Procurement Plan

- *Software*

- *System Integrator*

- *State project team*

- *Department involvement*

Project Status
What Has Occurred To Date

✓ *Funding approved by the administration*   **Completed**

✓ *Feasibility Study Report approval*   **Completed**

✓ *IT Procurement Plan approval*   **Completed**

✓ *Request for Proposal released to software vendors*   **Completed**

✓ *Release project Web site (July 8, 2004)*   **Completed**

✓ *Draft proposals submitted*   **Completed**

✓ *Draft proposals reviewed*   **Completed**

Project Timeline

➤ *Release Software RFP*   *May 2004*

➤ *Software Vendor Selection*   *December 2004/January 2005*

➤ *Release System Integrator RFP*   *December 2004/January 2005*

➤ *Select System Integrator*   *June/July 2005 (estimate)*

➤ *Sign Software and System Integrator Contracts*   *August 2005 (estimate)*

➤ *Start System Design*   *Summer 2005 (estimate)*

➤ *Start Rollout of First Phase*   *Winter 2007 (estimate)*

System Improvements

Improve Service by Adding New Functionality

- *Employee Self-Service - desk top and IVR*

- *Benefit Administration - on-line access*

- *Electronic Time Reporting*

- *Electronic workflow processing & approvals*

- *Point & click drop-down menus*

- *Bi-Weekly Pay*

- *Electronic or paper earnings statements*

- *Earnings more clearly identified*

- *On-line instructions*

User Impacts

Employee Impacts

- *Employees have control over electronic updates to personal information*

- *Immediate system updates to most personal information*

- *Employee access to current status of personal information (address, benefits, tax exemptions, leave balances, etc.)*

- *Potential to access and print employee related information (earnings statements, W2's, etc.)*

- *SSN not used as employee identifier*

Examples Of Changes

- *Home address change*

- *Tax withholding allowances*

- *Benefit enrollments*

- *Benefit status*

- *Confirmation statements*

- *View payment information*

- *View employment status*

Examples Of Changes
(continued)

- *Link to Savings Plus*
- *Direct Deposit enrollment*
- *Monitor leave balances*
- *Improved earnings statements*
  - *Paper*
  - *Electronic*
  - *Year-to-date information*
- *Check calculator*
- *Designate beneficiaries*

Union Impacts

- *Improved deduction process*

- *Better access to information*

- *Improved member services*

What's Next

- *Software vendor selection*

- *Selection of Independent Validation and Verification Vendor*

- *Release System Integrator Request for Proposal & select vendor*

- *Continued meetings with departments*

- *Ongoing contact with employee organizations*

Union Issues

Provide issues or questions in writing. Include name, phone number, email and organization and send to:

> *21st Century Project*
> *300 Capitol Mall*
> *Sacramento, CA 95814*
> *Attention: Camille Goodwin-Boyd*

The 21st Century Project will provide responses to your questions.

Questions?

Questions or comments after the presentation can be email to:

21stCentury@sco.ca.gov